

**Senate File 230 - Introduced**

SENATE FILE 230  
BY COMMITTEE ON JUDICIARY

(SUCCESSOR TO SSB 1124)

**A BILL FOR**

1 An Act requiring in-state construction contracts and disputes  
2     thereof to be governed by Iowa law.  
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1     Section 1. NEW SECTION. 537A.6 In-state construction  
2 contracts — Iowa law to govern.

3     1. As used in this section, "*in-state construction*  
4 *contract*" means a public, private, foreign, or domestic  
5 agreement relating to construction, alteration, repair, or  
6 maintenance of any real property in this state and includes  
7 agreements for architectural services, demolition, design  
8 services, development, engineering services, excavation, or any  
9 other improvement to real property in this state, including  
10 buildings, shafts, wells, and structures, whether on, above, or  
11 under real property in this state.

12     2. A provision of an in-state construction contract is void  
13 and unenforceable as contrary to public policy if the provision  
14 does any of the following:

15     a. Makes the in-state construction contract subject to the  
16 laws of another state.

17     b. Requires any litigation, mediation, arbitration, or  
18 other dispute resolution proceeding arising from the in-state  
19 construction contract to be conducted in another state.

20     3. Notwithstanding any contractual provision to the  
21 contrary, the laws of this state shall apply to every in-state  
22 construction contract.

23     4. Any litigation, mediation, arbitration, or other dispute  
24 resolution proceeding arising from or relating to an in-state  
25 construction contract shall be conducted in this state.

26                                   EXPLANATION

27     This bill provides that a provision of an in-state  
28 construction contract is void and unenforceable as contrary  
29 to public policy if the provision makes the contract subject  
30 to the laws of another state or requires any litigation,  
31 mediation, arbitration, or other dispute resolution proceeding  
32 arising from the contract to be conducted in another state.  
33 The bill requires any litigation, mediation, arbitration, or  
34 other dispute resolution proceeding arising from or relating  
35 to an in-state construction contract to be conducted in this

1 state. The bill also provides that the laws of this state  
2 apply to every in-state construction contract, notwithstanding  
3 any contractual provision to the contrary.

4 "In-state construction contract", as defined in the bill,  
5 means a public, private, foreign, or domestic agreement  
6 relating to construction, alteration, repair, or maintenance  
7 of any real property in this state and includes agreements  
8 for architectural services, demolition, design services,  
9 development, engineering services, excavation, or any  
10 other improvement to real property in this state, including  
11 buildings, shafts, wells, and structures, whether on, above, or  
12 under real property in this state.